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26-LS1049\R  
Kane/Bailey  
9/23/09

**HOUSE BILL NO.**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

**BY**

**Introduced:**  
**Referred:**

**A BILL****FOR AN ACT ENTITLED**

1 **"An Act declaring a state energy policy."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **\* Section 1.** AS 44.99 is amended by adding a new section to read:

4       **Sec. 44.99.115. Declaration of state energy policy.** (a) The State of Alaska  
5 recognizes that economic prosperity is linked to the availability, reliability, and  
6 affordability of consumer and industrial energy supplies and that investment in new  
7 energy supplies occurs only when adequate financial returns can be realized. The state  
8 also recognizes that worldwide supply and demand for fossil fuels and concerns about  
9 global climate change will affect the price of fossil fuels. Therefore, it is the policy of  
10 the state to attain an adequate, reliable, and sustainable supply of energy from  
11 domestic sources at the lowest possible cost to serve as the foundation of the state's  
12 well-being and to sustain its economic prosperity for current and future generations of  
13 Alaskans. It is the policy of the state to develop flat-priced, zero-fuel-cost energy  
14 resources to provide transportation, heat, and electricity to Alaskans, diversify its  
15 energy portfolio, promote the rational development of resources and infrastructure,

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1 contribute to the national energy supply, reduce dependence on international energy  
2 resources, and allow market forces to drive prudent development and use of energy  
3 resources. To support those policies, the state is committed to

4 (1) using incentives and other methods to encourage the optimal long-  
5 term development and use of energy resources;

6 (2) continuing to invest in regional energy projects and allowing  
7 regional participation in the costs and benefits of regional projects;

8 (3) increasing the use of electricity from clean sources;

9 (4) decreasing energy consumption through conservation measures and  
10 energy-efficient technologies;

11 (5) optimizing the use of off-peak energy production by using new  
12 technologies; and

13 (6) supporting energy research and education.

14 (b) To implement the goal and objectives described in (a) of this section, it is  
15 the policy of the state actively to promote the development of

16 (1) nonrenewable energy resources, including natural gas, coal, oil, gas  
17 hydrates, heavy oil, and nuclear energy for Alaskans' needs and for export;

18 (2) renewable clean energy resources, including tidal, wave,  
19 hydroelectric, geothermal, solar, wind, and biomass energy;

20 (3) efficient and reliable community-based energy generation and  
21 delivery systems; and

22 (4) energy-efficient residential, commercial, and public buildings by  
23 making incentives available to municipalities and boroughs.

24 (c) In the development of the energy resources of the state as described in (b)  
25 of this section, it is the policy of the state to

26 (1) pursue, promote, and reward energy efficiency and conservation;

27 (2) promote statewide energy-efficiency codes for new and renovated  
28 residential, commercial, and public buildings;

29 (3) promote economically sound and environmentally responsible  
30 development of resources and infrastructure to meet the state's and the nation's  
31 growing energy demand and to reduce dependence on international energy sources;

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- 1 (4) promote energy reliability and security for the state;
- 2 (5) promote planning for energy transmission;
- 3 (6) promote safe and efficient transportation systems;
- 4 (7) consider the effects of global climate change when determining the
- 5 best energy solutions for the state;
- 6 (8) develop flat-priced, zero-fuel-cost energy resources as part of a
- 7 diversified energy supply portfolio;
- 8 (9) allow market forces to drive prudent development and use of
- 9 energy resources;
- 10 (10) use appropriate incentives and other methods to ensure the
- 11 optimal long-term development and use of energy resources for the benefit of current
- 12 and future generations of Alaskans;
- 13 (11) review and streamline regulatory processes, balancing the
- 14 economic costs of review with the level of review necessary to protect the public
- 15 interest;
- 16 (12) collaborate with federal agencies to achieve the state's energy
- 17 policy goals;
- 18 (13) create and maintain an energy development environment that
- 19 provides for reasonable and stable prices while providing producers and suppliers a
- 20 fair return on investment, recognizing that
- 21 (A) economic prosperity is linked to the availability, reliability,
- 22 and affordability of consumer and industrial energy supplies; and
- 23 (B) investment in new energy supplies occurs only when
- 24 adequate financial returns can be realized;
- 25 (14) encourage utilities to consolidate resources when feasible;
- 26 (15) invest in research to discover new technologies for energy
- 27 delivery and reliability and apply those new technologies for energy projects when
- 28 feasible;
- 29 (16) incorporate energy-efficient technologies in new public buildings;
- 30 (17) continue investing in regional energy projects;
- 31 (18) support regional initiatives for fuel purchase and storage and

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1 energy diversification, conservation, and education;

2 (19) provide funding for immediate or short-term programs that  
3 address current energy requirements while long-term solutions are developed;

4 (20) seek solutions that reduce the use of gasoline and diesel as motor  
5 fuels and that reduce the use of fossil fuels for heating;

6 (21) consider the benefits of affordable energy for Alaskans when  
7 determining the best use of publicly held natural resources in the state; and

8 (22) establish a workforce development program to ensure that  
9 residents have opportunities to enter new energy-related jobs.